

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

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| THE NOTICE OF PURCHASED |) | |
| GAS ADJUSTMENT FILING OF |) | CASE NO. |
| PENDLETON COUNTY WATER |) | 8568-R |
| DISTRICT, GAS DIVISION |) | |

O R D E R

On December 8, 1982, the Commission issued its Order in Case No. 8568 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On February 8, 1985, Pendleton County Water District, Gas Division, ("Pendleton") notified the Commission that its wholesale cost of gas would be increased by its supplier, Columbia Gas Transmission Corporation ("Transmission"), effective March 1, 1985, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Pendleton's notice of February 8, 1985, set out certain revisions in rates which Pendleton proposed to place into

effect, said rates being designed to pass on the wholesale increase in gas cost in the amount of \$4,294 or 2.31 cents per Dth.

(2) On January 29, 1985, Transmission filed an application with the Federal Energy Regulatory Commission for rates to become effective March 1, 1985.

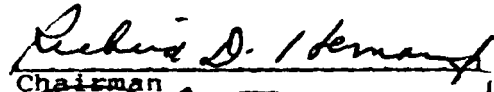
(3) Pendleton's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 8568 dated December 8, 1982, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after March 1, 1985, subject to refund. This adjustment should be subject to refund because Transmission's rates are subject to refund.

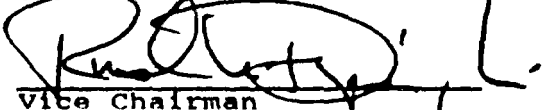
IT IS THEREFORE ORDERED that the rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after March 1, 1985, subject to refund.

IT IS FURTHER ORDERED that within 30 days of the date of this Order Pendleton shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 1st day of March, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 8568-R DATED 3/1/85

The following rates are prescribed for the customers served by Pendleton County Water District, Gas Division. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under the authority of the Commission prior to the date of this Order.

RATES: MONTHLY

RATES PER UNIT

Residential:

| | |
|----------------------------|------------------|
| 0 - 1 Mcf (Minimum Charge) | \$6.30 Per Month |
| 1 - 2 Mcf | 5.703 Per Mcf |
| 2 - 6 Mcf | 5.450 Per Mcf |
| Over 6 Mcf | 5.400 Per Mcf |

Commercial:

| | |
|----------------------------|------------------|
| 0 - 1 Mcf (Minimum Charge) | \$6.85 Per Month |
| 1 - 20 Mcf | 5.400 Per Mcf |
| 20 - 30 Mcf | 5.350 Per Mcf |
| 30 - 40 Mcf | 5.300 Per Mcf |
| 40 - 50 Mcf | 5.250 Per Mcf |
| Over 50 Mcf | 5.200 Per Mcf |

SMALL INDUSTRIAL:

| | |
|---------|----------------|
| All Mcf | \$5.16 Per Mcf |
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SPECIAL CONTRACTS:

Firm Gas Service:

| | |
|------------------------------|------------------|
| MAGO Construction Co., Inc., | \$4.9034 Per Mcf |
|------------------------------|------------------|

For the purpose of the future application of the purchased gas adjustment clause of Pendleton County Water District, Gas Division, the base rate for purchased gas shall be:

Columbia Gas Transmission Corporation
Schedule SGS

Commodity

\$4.4254 Per Dth